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FLOOR DEBATE

April 5, 2004 LB 1065

SENATOR HARTNETT: ...to qualify, what is it, 100 million gallons a year? Is that right?

SENATOR BAKER: Oh, I think about the minimum plant size, economically, is 20 million gallons, but I think most of them are permitted 30 million to 40 million gallons, and that would cost you in the range of \$40 million to \$50 million to build.

SENATOR HARTNETT: Okay. What's the federal support? Do you know?

SENATOR BAKER: You know, I don't know. There are...there's some...in the 2002 federal farm program, there are some provisions in there for adding value to biomass energy and ethanol production, and I don't know. I do know there's some federal subsidies. I think if you use three bushels of corn, you get credit for one, somehow or other on a federal payment, but that is federal and I'm not positive, but that's in a ballpark though. You get some credits for the corn you purchase on a per-bushel basis. I think it's about one bushel free corn, or I...I hope I'm not speaking, for each four bushels you buy.

SENATOR HARTNETT: So the plants being built now, are they in the range of 40 million to 50 million bushels, or is that what you're saying?

SENATOR BAKER: They're gallons.

SENATOR HARTNETT: Gallons.

SENATOR BAKER: I think the Plainview plant is at 20, was permitted for 20 million. I think they've changed that, that they may be up above 20 million. I think Axtell is at 40 million. The Trenton plant is permitted for 40 million; I think it's producing at 30 million right now. So generally 30 million to 40 million gallons.

SENATOR HARTNETT: So about \$10 million per gallon, is that right, 40 million to 50 million?

SENATOR BAKER: Well, 40...a 40 to 50...30 to 50 million-gallon